

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2006-55-C – ORDER NO. 2006-165
MARCH 16, 2006

IN RE:	Application of IPC Network Service, Inc.)	ORDER GRANTING
	for a Certificate of Public Convenience and)	MOTION FOR
	Necessity to Provide Resold Local)	CONFIDENTIAL
	Exchange and Resold Long Distance)	TREATMENT
	Telecommunications Services and for)	
	Flexible Regulation of its Local Exchange)	
	Services and Alternative Regulation of its)	
	Long Distance Offerings.)	

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Motion filed by IPC Network Service, Inc. (“IPC” or the “Company”) to treat certain materials in the present proceeding as confidential. The requested confidential treatment by IPC pertains to the Company’s February 9, 2006, filing of an Application for a Certificate of Public Convenience and Necessity to provide telecommunications services in South Carolina.

IPC, in its Application, requested that the Company’s financial statements be treated as confidential and remain under seal. On February 22, 2006, the Commission ruled that IPC’s request for confidential treatment be held in abeyance and set forth such ruling in Order No. 2006-124, issued February 27, 2006.

IPC, on February 23, 2006, filed a Motion for Confidential Treatment wherein IPC asserts that the Company provides a highly specialized service to a niche market with

fewer competitors than in the general interexchange or local telecommunications services markets, and therefore, disclosure of IPC's financial information would have an adverse effect on the Company's ability to compete. According to IPC, the niche market it serves is trading companies, such as energy or stock traders, that need near-instantaneous communications. IPC states its belief that providing the Company's competitors with information about IPC's revenues, overhead, profit and resources could lead them to take measures that negatively impact IPC's ability to compete for the business of its niche customers. If this were to happen, according to IPC, South Carolina could face reduced competition in the specialized market served by IPC, to the detriment of end user customers.

Pursuant to Commission Order No. 2005-226, "Order Requiring Designation of Confidential Materials", issued May 6, 2005, IPC delineates in its Motion the material for which the confidential treatment is sought and such information was filed clearly marked "confidential."

The Office of Regulatory Staff ("ORS"), by letter dated March 3, 2006, advises that the ORS does not object to the Motion that confidential information contained in IPC's Application be treated as confidential, provided that such treatment applies and extends only to IPC's financials and does not extend to any required annual filings with the ORS. Counsel for IPC consented to ORS's request and acknowledged IPC's consent by signature to ORS's March 3, 2006, letter.

S.C. Code Ann. Section 30-4-40(a)(1) states that matters to be exempt from the South Carolina Freedom of Information Act (“FOIA”) includes: “(1) Trade secrets, which are defined as unpatented, secret, commercially valuable plans, appliances, formulas, or processes....Trade secrets also include, for those public bodies who market services or products in competition with others, feasibility, planning, and marketing studies, and evaluations and other materials which contain references to potential customers, competitive information or evaluation.”

We find that the information IPC seeks protection of as confidential and to be filed under seal falls within the definition of materials exempted from FOIA. Furthermore, in light of the current telecommunications environment, we find it is not appropriate to make detailed information regarding IPC’s operations publicly available. We further find and conclude that making the information contained in IPC’s financial statements publicly available could give actual and potential competitors an unfair competitive advantage. The Commission therefore grants the Motion of IPC and provides that the aforementioned information provided by IPC to the Commission in the Company’s Application shall be considered proprietary and confidential and filed under seal.

IT IS THEREFORE ORDERED:

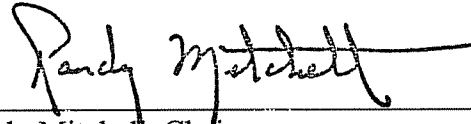
1. The Motion of IPC Network Service, Inc. for Confidential Treatment of Financial Statements is granted. The Commission and Commission Staff shall treat the materials as confidential, and such materials shall not be subject to public disclosure absent further order of this Commission.

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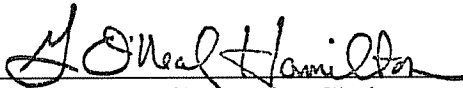
2. This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



Randy Mitchell, Chairman

ATTEST:



G. O'Neal Hamilton, Vice Chairman

(SEAL)